

# What USDA Rural Development Can Do for Boroughs

*With more than 50  
loan and grant programs*

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By Jeremy Wilson, Acting State Director, USDA Rural Development PA



# When Americans hear U.S. Department of Agriculture (USDA), they usually think food and farming.

However, the USDA is made up of 29 agencies and offices with nearly 100,000 employees, who serve at more than 4,500 locations across the country and abroad. Through its rural development (RD) mission area, USDA not only supports ag producers, but also the communities where these farmers and their families live.

RD administers more than 50 loan and grant programs to help expand economic opportunities and create jobs in rural areas by supporting:

- infrastructure improvements;
- business development;
- housing;
- community facilities such as schools, public safety, and health care; and
- high-speed internet access.

## Essential Facilities

The Community Facilities Direct Loan and Grant Program provides affordable funding to

develop essential facilities that provide critical services to the local populace. They do not include, however, private, commercial, or business undertakings (which are covered by USDA business programs).

Despite the pandemic, the department provided more than \$70.6 million to 84 projects in PA last year. Community Facility direct loans accounted for most of these investments with 36 projects for \$66.9 million. The grants program consisted of 48 total projects for \$3.7 million.

The Community Facilities Grant Program assists rural areas and towns of up to 20,000 and are authorized on a graduated scale.

Nationally, in 2020, the Community Facilities Direct Loans program had 548 projects with a total investment of nearly \$1.3 billion. The Community Facilities Grants program obligated almost \$114 billion for 1,777 projects.

## Health Care Facilities

According to the Center for Rural Pennsylvania, in 2018, there were 66 acute care hospitals with roughly 7,200 beds available in rural areas with seven counties having no hospitals. On average, there were 2.14 hospital beds for every 1,000 rural residents.

RD addresses this issue with the following projects:

- Construction of a 240-bed, 136,000-square-foot, three-story skilled nursing facility in Centre County that serves 60% of the Medicaid population in the area;
- Completion of a new, 123-unit, assisted-living facility in Bucks County;
- Facility and technological renovations for two hospitals in Carbon County that treat thousands of patients yearly; and
- Investment of nearly \$3 million in a Distance Learning and Telemedicine Grant.

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# FEATURE ARTICLE

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Also, RD invested more than \$70.6 million in infrastructure projects such as the construction and renovation of fire stations, a health and science facility on the campus of the Central Pennsylvania Institute of Science and Technology in Centre County, and a correctional facility in Fayette County.

In June, USDA announced a nearly \$1 million investment in 16 projects in rural PA, including:

- A self-fueling airport terminal, Borough of Wellsboro, Tioga County;
- A fire truck in Port Royal Borough, Juniata;
- Patrol vehicles for Benezette Township, Elk County, Youngsville Borough, Warren County, and Selinsgrove Borough, Snyder County; and
- Library renovations in Fulton County.

## Broadband, Telecom Infrastructure

Bringing quality Internet to rural areas has been an ongoing bipartisan issue for many years. Broadband and telecommunications infrastructure projects represented 3.45% of fiscal year 2020 funding for RD in PA.

The Commonwealth has about 3.4 million rural residents, and studies indicate about 15% of rural households lacked internet

access. To address this problem, in 2020, USDA invested more than \$3 million in broadband through the Telecom Infrastructure and Community Connect programs.

This included a \$750,000 investment through the ReConnect Pilot Program, which deployed fiber-to-the-premises (FTTP) broadband service in Crawford County. The funded service area included 685 people, 34 businesses, eight farms, two educational facilities, two town halls, a post office, and a fire station.

## Improving Rural Infrastructure

Last year RD invested almost \$82 million to expand access to safe drinking water and improve wastewater management systems. These investments will improve the reliability of the local water supply for more than 25,000 rural Pennsylvanians.

In July 2021, RD approved a loan of \$5.07 million and a grant of \$4.23 million to help provide clean public water in northern Pennsylvania.

The Upper Tioga River Regional Authority will use the USDA investment to alleviate water quality problems with wells that have been identified as contaminated.

The authority will install approximately 55,000 linear feet of new water mains for public water in

Tioga County between Blossburg and Mansfield boroughs. A flow pressure regulating building will be constructed along with construction of a 400,000-gallon water storage tank.

## Value-Added Grant

With the pandemic causing nationwide delays in the shipping of goods, local farms and farmers like Shelly Oswald, owner of Old Time Farm in the borough of Stoneboro, Mercer County, played a vital role in safeguarding food security.

Oswald used a USDA RD Value Added Producer Grant (VAPG) to offset the cost of marketing courses and workshops, where she refined her branding and outreach. She also established an e-commerce shop and was able to purchase labels and packing materials, as well as pay for some beef processing.

Finally, VAPG allowed Old Time Farm to help other regional ag producers reach consumers after their wholesale markets and traditional marketing events collapsed in the early days of the pandemic.

Oswald also was able to incubate and sell chicks and turkeys along with their eggs to area ag producers whose conventional poultry farms suffered from pandemic-related supply chain disruptions. This, too, bolstered regional food security.

## Single-family Housing

Mehoopany, Wyoming County, residents Diann and Brian Nealon couldn't get approved for a loan to purchase a home because of their credit score, but the RD's Single-Family Housing Direct Home Loans program changed all that.

They met with Amy Wiggans, the RD home loan specialist in Wyoming County, who helped them every step of the way to purchase their new home.

In May 2020, the family moved into their dream home, saving about \$200 a month on their mortgage.

In 2020, RD invested more than \$767 million in direct loans, loan guarantees, and grants through the Single-Family Housing Programs to help 5,360 low- and moderate-income families in rural PA purchase a home or repair and rehabilitate their current home. Single Family Housing projects make up about 60% of RD's portfolio overall.

### LOOKING FOR A GRANT FOR A BOROUGH PROJECT?

Visit [boroughs.org/grants](https://boroughs.org/grants) to find state, federal, and private grant opportunities available.

## Rural Economic Development

USDA invested \$36.4 million to assist five rural businesses through the Business and Industry (B&I) Loan Guarantee Program.

RD also invested more than \$1.9 million in 46 loan and grants through the Rural Energy for America Program for energy efficiency improvements, renewable energy systems, and energy development assistance in rural businesses.

For communities that could benefit from any of these programs, reach out to USDA RD

with its state office in Harrisburg and field offices across the Commonwealth at [www.rd.usda.gov/pa](https://www.rd.usda.gov/pa), or contact Daniel Blottenberger, public affairs specialist, at [Daniel.Blottenberger@usda.gov](mailto:Daniel.Blottenberger@usda.gov).



**About the author:** Jeremy Wilson is the acting state director for USDA Rural

Development. He has more than 22 years of experience with the agency, including over 15 years in originating and servicing rural loan and grant programs and the last 7 years in administration. B

### Rural Development invested more than \$1 billion in loans, loan guarantees, and grants to improve the economy and quality of life in rural PA. Here's the breakdown:

Single Family Housing	\$766,653,071	(5,358 awards)
Multi-Family Housing	\$18,091,000	(13 awards)
Community Facilities Program	\$70,674,381	(84 awards)
Water & Environmental Programs	\$81,894,899	(28 awards)
Business Programs	\$37,604,778	(24 awards)
Renewable Energy Projects	\$1,999,772	(46 awards)
Telecommunications	\$3,548,184	(5 awards)

### Fiscal year 2021 year-to-date investments (as of July) were nearly \$563.8 million, including:

Single Family Housing	\$524,270,000	(3,428 awards)
Multi-family Housing	\$21,027,000	(312 awards)
Community Facilities Program	\$1,757,000	(34 awards)
Water & Environmental Programs	\$1,200,000	(1 award)
Business Programs	\$15,029,000	(28 awards)
Telecommunications	\$490,000	(1 award)